

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

4 ALLIANTGROUP, LP 4 : 16-cv-03114

5 VS. January 11, 2018  
6 Houston, Texas  
2:08 p.m.

7 | MOLS

9 SEARCH TERMS HEARTING

10 BEFORE THE HONORABLE NANCY K. JOHNSON

11 UNITED STATES MAGISTRATE JUDGE

12 APPEARANCES:

13 For Plaintiff Matthew L. Simmons  
14 Littler Mendelson, PC  
15 1301 McKinney Street  
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Houston, Texas 77010

19 For Defendants Brian S. Humphrey, II  
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22 For Third Party Witnesses Rob Hennig  
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(Telephonically)

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1           THE COURT: All right. Good afternoon.

2           Please be seated.

3           Now, tell me what the dispute is.

4           MR. SIMMONS: Well, I guess, first off, Your Honor,  
5 we actually have Rob Hennig on the line.

6           THE COURT: Okay.

7           MR. SIMMONS: So, Mr. Hennig made a good point  
8 recently, and during the hearing on the 18<sup>th</sup>, you did give us  
9 a deadline of the next business day to give him terms. Due to  
10 an oversight on our part, we did not do that until  
11 January 5<sup>th</sup>. And on January 5<sup>th</sup>, we sent Mr. Hennig the terms,  
12 the CPA names and all the clients, which - and the CPA and  
13 client list is about 68, which is consistent with what we were  
14 saying during the hearing. And we said, Mr. Hennig, the Court  
15 gave you 20 days; we'll give you 20 days. We're willing to  
16 give him 30; we're willing to work with him, but at this point  
17 he wants a different order from you as far as a production  
18 deadline.

19           THE COURT: Okay.

20           MR. SIMMONS: So, he's on the line.

21           THE COURT: All right. Mr. Hennig, have you been  
22 able to hear all of that?

23           MR. HENNIG: Yes, I have, Your Honor. Thank you so  
24 much, and I appreciate the Court considering this matter.  
25 There's just two points. The first, Your Honor, is, well, if

1 I get it. They delayed it. The only thing as a practical  
2 matter I'm going to be in trial starting the 22<sup>nd</sup> of January.  
3 So, it just - it may take me longer to get this prepared and  
4 finished because I essentially have a week.

5 On the second point, Your Honor, is that we  
6 originally agreed to 20 search terms. And then, they had  
7 represented, well, what about the client names - and I believe  
8 they represented there were 30. I have a list of 62 clients  
9 and 24 CPA names. So, we've gone from a search term of twenty  
10 to over a hundred now.

11 So, I'm going to just ask if we can limit this  
12 and I think I would ask the Court if they could limit CP- -- I  
13 think that CPA should be limited or should be zeroed out  
14 entirely, because they are not clients. The issue with the  
15 CPA is my understanding.

16 And then, secondly, with regard to the clients -  
17 I mean, can we limit this to the thirty they said they would  
18 have had?

19 MR. SIMMONS: And Your Honor, that's not accurate.  
20 The transcript actually says that - actually, you said is it's  
21 somewhere between 50 and 60, and we said, yeah, that's about  
22 what we think, and that's at page 17, lines 8 and 9. And my  
23 count of it is 68. I don't know where he's getting the 90.  
24 But these are all the CPA firm - firms and clients, and we do  
25 believe the CPA firms are our clients, that we have several

1 contracts directly with CPA firms, and that's how we get to  
2 the end-user client.

3 So, we would absolutely agree that CPAS firms  
4 are completely responsive, because that's where all the money  
5 is on all of these agreements. You can't get to the end-user  
6 client without the CPA firm.

7 THE COURT: Don't they overlap?

8 MR. SIMMONS: They do overlap some, and actually most  
9 overlap, but many CPA firms will - they'll have 30 clients, so  
10 as long as we have that CPA firm direct us to that client then  
11 that CPA firm is not necessarily included within the direct  
12 end-user client e-mail communications.

13 So, there's some that overlap, and then, there's  
14 some that go straight to the direct end-user client  
15 communications. And all these clients, CPS firms, are  
16 directly from the documents that have already been produced by  
17 Mr. Hennig's clients. So, they're not random names that we're  
18 throwing out, but these are the names that we have gotten  
19 directly from the documents. We went through the thousands of  
20 pages of production to make sure that we located every client,  
21 CPA firm that we believe that we had a knowledge of and that  
22 they had knowledge of through their work in Alliantgroup and  
23 then utilized that knowledge to then go and get this. Almost  
24 a million dollars worth of business in a year, out of nothing  
25 from - despite them saying that they didn't - these are trade

1 secrets or forms or anything, million-dollar business all  
2 within a year and these type relationships, these CPA  
3 relationships especially take a lot of time, a lot of money to  
4 just to locate and then to develop the relationship with. So,  
5 those are really vital to - to our search process, and I  
6 believe that, you know, we need those documents to be able to  
7 prove up that they were soliciting our clients and our CPAs.

8 THE COURT: Mr. Hennig, I need -

9 MR. HENNIG: Your Honor, I was planning - yeah, I  
10 apologize - I'm planning 20 search terms to pull out. I'm  
11 planning a client list of 62 names. And then, I'm planning  
12 CPAs, which are a separate list that has 24. So, I'm counting  
13 a total of a hundred and six ones that I originally are - my  
14 understanding was we were going to be limiting this to 20  
15 terms. So, we have then toppled the amount.

16 It's just burdensome, Your Honor. I mean, it's  
17 a hundred terms that I now have to go through. I mean, we are  
18 certainly willing to cooperate, Your Honor. I represented  
19 that. We will do - we will cooperate, but a hundred terms,  
20 Your Honor, is I think unduly burdensome to a third party  
21 witness who has no stake in this litigation, zero stake.

22 MR. SIMMONS: And this is what we agreed to. This is  
23 what was expected - the 20 search terms and then on page 17,  
24 line 8 through 9, 50 to 60 additional CPA client names. So,  
25 60 plus 20 is 80. Let's say we were at - let's take Mr.

1 Hennig's number and say, we're at 96 now. That's within the  
2 range of what we were anticipating at the time of the hearing  
3 on the 18<sup>th</sup>. So, I don't think that if he didn't complain  
4 about burdensome then about 80, that he would be able to do so  
5 now with, you know, ten or so more.

6 THE COURT: All right. Well, you're way over what I  
7 thought you were going to be looking for, because you're at -  
8 between clients and CPAs, which my math is 86 - 62 clients and  
9 24 CPAs; that's 86. And we thought we were going to be in the  
10 50 to 60 range.

11 Mr. Humphrey, do you want to weigh in here? Do  
12 you have a dog in this fight?

13 MR. HENNIG: Not particularly.

14 THE COURT: No dog?

15 MR. HENNIG: Just my disagreement on the merits of  
16 what they consider a trade secret and whether a CPA is a  
17 client, but that's neither here nor there with this argument.

18 THE COURT: All right.

19 So - and it's Mr. Simpson?

20 MR. SIMMONS: Simmons.

21 THE COURT: Simmons.

22 MR. SIMMONS: Yes, Your Honor.

23 And I apologize not being here the last two  
24 hearings. I had a baby come, and then I had a - a -

25 THE COURT: You look great for just having a baby.

1 MR. SIMMONS: Oh, my goodness.

2 Someone should have told me.

3 THE COURT: Ble-w-w-w-w.

4 MR. SIMMONS: I think they did; it just went in one  
5 ear and out the other ear.

6 THE COURT: All right. So, Mr. Simmons, I am going  
7 to make you limit that - with the 20 search terms and you've  
8 got 86 on clients and CPAs, you're going to need to knock some  
9 of those clients down. So, the total would be - I'll give you  
10 66; you need to subtract 20; I don't care how you're doing  
11 that.

12 MR. SIMMONS: Yes. Your Honor.

13 THE COURT: All right. What else do we need to talk  
14 about?

15 MR. SIMMONS: The production -

16 MR. HENNIG: Your Honor -

17 MR. SIMMONS: -- deadline.

18 MR. HENNIG: Your Honor?

19 THE COURT: The production deadline?

20 MR. HENNIG: Just to be clear, Your Honor.

21 THE COURT: Yes.

22 MR. HENNIG: Your Honor -

23 THE COURT: Yes.

24 MR. HENNIG: -- I know - I just want to be clear.

25 So, you're going to allow 20 search terms and then 66 -

1           THE COURT: Clients.

2           MR. HENNIG: -- CPA and -

3           THE COURT: Clients.

4           MR. HENNIG: CPA clients?

5           THE COURT: Yes, sir.

6           MR. HENNIG: So, we're going to have a total of 86  
7 search terms we're to look for.

8           THE COURT: Eighty-six, yes, sir.

9           MR. HENNIG: That - we're going to bear the cost of?

10           Your Honor, I just - I just - I mean, if that's  
11 your order, that's your order. I would ask for you to cut  
12 another 20. I just - I think this is bur- -- this is  
13 burdensome on my clients, Your Honor.

14           THE COURT: SO, I have -

15           MR. HENNIG: They're for- --

16           THE COURT: Mr. Hennig, I'd entertain that motion if  
17 I knew what the difference in cost was, but right now it's  
18 just - to me it's theoretical.

19           MR. HENNIG: Understood, Your Honor. Okay. And to  
20 the extent that I need to get a cost estimator or a means to  
21 confer further on this, I will do so, Your Honor. I will  
22 certainly do so. But it's just -

23           THE COURT: I hear your frustration.

24           MR. HENNIG: It was an off- --

25           THE COURT: I hear your frustration, Mr. Hennig.

1           MR. HENNIG: It was an off-handed thing where we -  
2 off-handedly based on, what, some 20 search terms - my  
3 understanding - and then, if that's what the Court represented  
4 there were approximately 30 client CPAs, so that there - and -  
5 anyway, Your Honor, I will be the first to expect that my  
6 clients have issues with the money with Mr. Simmons and if it  
7 be necessary we will come back to the Court on this issue.  
8 Okay?

9           THE COURT: That's great.

10          MR. HENNIG: But right now, I understand the Court's  
11 order, and we'll comply.

12          THE COURT: All right. So, we need a production  
13 deadline. And Mr. Hennig is in trial.

14          So, Mr. Hennig, do you think you can produce  
15 this in four weeks - February 7?

16          MR. HENNIG: Candidly, Your Honor, not. I - I'm -  
17 the trial is expected to last three to four weeks.

18          THE COURT: Really?

19          MR. HENNIG: But we're starting up - well, I - I have  
20 long trials, Your Honor.

21          THE COURT: That is a long trial.

22          MR. HENNIG: And they - they're state - they're state  
23 courts, so they don't have the - the limitations that - that -  
24 that will get us famous for putting on these cases?

25          MR. SIMMONS: And just so, Your Honor, that Mr.

1 Hennig does have Ms. Deborah Laison (phonetic), helping him.  
2 That's who I have been coordinating with as far as discovery  
3 over the past - I would say five or six months. I don't know  
4 if she's at trial also.

5 THE COURT: All right.

6 Is she in trial with you, Mr. Hennig?

7 MR. HENNIG: No, no. No, she isn't, Your Honor.  
8 She - she is not.

9 Can I - can I ask, Your Honor - I mean, I would  
10 like to review these things personally. I could try to do so  
11 - instead of February, I think you said the 4<sup>th</sup>?

12 THE COURT: I said it was -

13 MR. HENNIG: Can you extend it two weeks - I'm sorry?

14 THE COURT: I said, I think the 7<sup>th</sup> - February 7<sup>th</sup>.  
15 That's four weeks.

16 MR. HENNIG: Okay. Can we extend that? Can we  
17 extend that to the 21<sup>st</sup>, and then I'll be able - I - I  
18 should - I will make myself available, in terms of getting it  
19 done.

20 THE COURT: All right. So, if I extend your  
21 production to the 21<sup>st</sup>, then what other dates do I need to  
22 extend?

23 MR. HENNIG: Well, it's depending upon, Your Honor,  
24 them coming with the revised list by - let's say - close of  
25 business tomorrow.

1           THE COURT: Can you do that, Mr. Simmons?

2           MR. SIMMONS: That is not a problem, Your Honor. I  
3 will absolutely get that done for you.

4           THE COURT: Okay. Well, that sounds good.

5           Then - so, is this the last production, or are  
6 there other document requests out?

7           MR. SIMMONS: There are other document requests out  
8 to the - our friends at Parakore CH. They have produced some  
9 documents; they did not produce any attachments to their  
10 e-mail, so I'm working with them on that, as well as trying to  
11 schedule their one-hour deposition needs this month, and I've  
12 yet to hear back from them on that. But they've been fairly  
13 responsive in the past, albeit with issues.

14          THE COURT: okay. So - and then, once you get this  
15 document production by February 21<sup>st</sup>, what, do you need to  
16 take more depositions?

17          MR. SIMMONS: I wouldn't think so. We obviously have  
18 to see what the documents say. If there's some unknown third  
19 party that - that hasn't been disclosed to us at this time or  
20 that someone has testified, I have nothing to do with it, and  
21 they do have something to do with it, we would certainly want  
22 to reserve the right to take their deposition.

23          THE COURT: All right. Then - let me then, if that  
24 document production is due the 21<sup>st</sup>, then let's say discovery  
25 ends March 16, and dispositive motions due by April 6 -

1 dispositive and non dispositive.

2 MR. SIMMONS: And we do have one, as you saw with our  
3 agreed extension - do you want to extend the response deadline  
4 past the discovery deadline to, let's say, that, and that way,  
5 I guess we wouldn't have the argument that we clearly have now  
6 that the no evidence summary judgment motion is not ripe for  
7 consideration, because obviously, we have discovery issues?

8 THE COURT: You've lost me.

9 MR. SIMMONS: Sorry.

10 There - there - Mr. Humphrey's filed a summary  
11 judgment motion on December 15<sup>th</sup>.

12 THE COURT: Okay.

13 MR. SIMMONS: No evidence and I believe Your Honor  
14 commented during the hearing, which was after he filed the  
15 motion, so you didn't have the benefit of what you had to say  
16 about it at the time, that a lot of his no evidence arguments  
17 were highly suspect due to discovery issues in the case.  
18 So, I don't know if you want to go ahead and postpone the  
19 response date until after all the discovery has been  
20 conducted, so that -

21 THE COURT: Let's do that. Let's do that.

22 So, your response to Mr. Humphrey's motion, no  
23 evidence motion for summary judgment due March 30, and then  
24 all motions - dispositive and non dispositive - must be filed  
25 by April 6.

1 MR. SIMMONS: Okay.

2 THE COURT: Okay?

3 MR. HUMPHREY: There are arguments other than no  
4 evidence that I guess the Court is going to allow the response  
5 on the entire motion for March 30<sup>th</sup>? I just wanted to clarify  
6 that.

7 THE COURT: Yeah, yeah, yeah.

8 MR. HUMPHREY: Your Honor may want to consider it.

9 Okay.

10 THE COURT: I mean, I'm not honestly - honestly, it's  
11 in line -

12 MR. HUMPHREY: Right.

13 THE COURT: -- but it won't come to the top before  
14 that.

15 MR. HUMPHREY: Understood, Your Honor.

16 THE COURT: Sorry to say.

17 MR. HUMPHREY: But -

18 THE COURT: So, just make sure that all of your  
19 arguments are in, and you're not going to tell me, well, I  
20 was - I wanted to stage it for, first, no evidence, and then  
21 if that - if you lost that, then well, here's my real summary  
22 judgment.

23 MR. HUMPHREY: Right. Of course, Your Honor.

24 THE COURT: Everything needs to be in - I'll consider  
25 everything if the -

1           MR. HUMPHREY: If I need to amend my Motion for  
2 Summary Judgment, I assume I'm not doing that on the April  
3 6<sup>th</sup> -

4           THE COURT: You do that by April 6<sup>th</sup>.

5           MR. HUMPHREY: -- deadline.

6           April 6<sup>th</sup>? Okay. Will do.

7           MR. SIMMONS: Our response date is March 30<sup>th</sup>.

8           THE COURT: That's to his -

9           MR. SIMMONS: Right.

10          THE COURT: -- no evidence.

11          MR. SIMMONS: Okay.

12          THE COURT: Well -

13          MR. HUMPHREY: And I have one over-arching motion  
14 that has no evidence arguments and no other arguments.

15          THE COURT: Well, do you think it's going to change?

16          MR. HUMPHREY: I don't think so. It's going to  
17 depend on the - on - if the discovery is still open, that's a  
18 possibility. I don't currently make discovery on that.

19          THE COURT: Discovery is open until March 16<sup>th</sup>.

20           Why don't we do this? Let's keep the  
21 deadlines -

22           Mr. Humphrey, if you feel the need to file some  
23 new summary judgment argument, let Mr. Simmons know and then,  
24 you know, file a motion; I'll let you off --

25           (Pause in the proceedings.)

1           THE COURT: Well, I'll let you off that date,  
2 because, I mean, we don't need to be doing work that we don't  
3 need to do.

4           MR. HUMPHREY: Understood.

5           MR. SIMMONS: We fully understand, Your Honor. I  
6 appreciate that.

7           THE COURT: But, you know, just let each other know  
8 what you are up to.

9           MR. SIMMONS: Yeah, right now, per a response  
10 deadline of March 30<sup>th</sup>, which is after the discovery deadline  
11 that absolutely works for us. If you need to supplement  
12 something in your motion based on the discovery, let me know;  
13 we'll work with the Court and get an extension so that there  
14 is no duplicity.

15          MR. HUMPHREY: Of course.

16          THE COURT: Yeah, and you can file a reply. I don't  
17 really worry about that. Just get it in. That's the  
18 important thing is getting it on file.

19          And did I see that you were talking settlement,  
20 or do I have this case confused with something else?

21          MR. SIMMONS: We were. Do you want to handle that?

22          THE COURT: I'm -

23          MR. HUMPHREY: We were. I think there's one - I  
24 think we're close on some issues. I think there's one massive  
25 statement point at this point that I think we're - we're kind

1 of - I didn't pass a month ago; I think we took off on another  
2 matter, but that's basically the agreement to a public  
3 judgment that my client refused to agree to and they insisted  
4 upon it. So, I don't really -

5 THE COURT: A public judgment?

6 MR. SIMMONS: Just - just -

7 THE COURT: Settlements are never public,  
8 Mr. Simmons.

9 MR. SIMMONS: Well, his client didn't agree to it for  
10 the last three months; this - this - there is a crux of the  
11 issue here that it was just - that it was just going to be -  
12 on it - it was going to be just the amount that the case is  
13 settled. And that's that. But that was - yeah, that was -

14 MR. HUMPHREY: I think they got a little greedy as to  
15 what was going to be in that and came to his senses and  
16 decided he didn't want to agree to a public judgment where he  
17 was going to appear to reach it one way.

18 MR. SIMMONS: That's why it was incorrect -

19 MR. HUMPHREY: Right.

20 MR. SIMMONS: -- in our motion yesterday, because as  
21 of yesterday, that was our understanding.

22 MR. HUMPHREY: Correct.

23 MR. SIMMONS: And actually it had changed last night.

24 THE COURT: All right. Well, that's what you - if  
25 that's what you want, but that's not a - you know, that's not

1 a settlement if you have to agree to stuff on the record and  
2 everything gets filed on the record. That's just highly -

3 MR. SIMMONS: Right. It would be a -

4 THE COURT: -- unusual.

5 MR. SIMMONS: It would be a three-sentence deal, and  
6 that's -

7 THE COURT: It doesn't matter if it's one word.

8 MR. SIMMONS: I understand.

9 THE COURT: But, you know, it's on the public record,  
10 and that's just not a settlement. So, you know, what will be  
11 on the public record is my summary judgment order, so, whether  
12 you like it or not.

13 MR. SIMMONS: I understand.

14 MR. HUMPHREY: True, Your Honor.

15 THE COURT: You know - so - and I guess the Bench  
16 trial I would have to write out of that. And, so, those can  
17 be owies when the Court - because it's a Bench trial I've got  
18 to make credibility findings.

19 MR. SIMMONS: Absolutely.

20 MR. HUMPHREY: That's true, Your Honor.

21 THE COURT: And that can be an owie depending on how  
22 that falls, because I've to do it.

23 MR. SIMMONS: You're absolutely true, Your Honor.

24 THE COURT: Well, you won't agree; I've seen some  
25 people they really, really want the decision until they see it

1 come out and then they're like, can I please retract that?  
2 I'm like, no.

3 So, anyway - but that's - that's why settlements  
4 are secret, and Court rulings are not, so it depends on - be  
5 careful what you ask for.

6 MR. SIMMONS: Understood, Your Honor.

7 The only things we have left - we submitted our  
8 terms to Mr. Humphrey. He's responded and objected to two  
9 thirds of our terms for being either overbroad or irrelevant.  
10 And so, we talked outside, and we came to a few agreements -  
11 we came to an agreement on one of the terms. And we came to  
12 an agreement that Mr. Humphrey's e-mail's address would be all  
13 the documents that have his e-mail address would be  
14 automatically pulled out for just him to review. And  
15 obviously, it was a client forwarded on an e-mail, so it's up  
16 to him to consent to us, but that way we don't see any  
17 attorney-client communications.

18 And so, those are our agreements, and then we  
19 agreed on about ten other words.

20 MR. HUMPHREY: Well, we - actually, there's a list of  
21 35 terms and a bunch of client CPA names. I agree to all the  
22 client CPA names, every single one of those.

23 MR. SIMMONS: That's correct.

24 MR. HUMPHREY: The other - 35 other terms all I have  
25 objected to - I've agreed upon those terms to pretty much all

1 of the proper names, except there are a few I don't think are  
2 relevant; the rest of them I objected to would just be very  
3 common words that are going to be overly inclusive, and I'm  
4 not sure why we need to search, for example, to number one was  
5 the word "money." I don't know why we need every e-mail that  
6 is going to have the word "money" in it, if we're already  
7 going to have every e-mail that has Angela T, Lewicki and all  
8 the client names and all the CPA names. So, I'm not sure what  
9 else could possibly be out there other than dealing with all  
10 the documents.

11                   So, that's basically my general objection to  
12 most of these, is that they're just generic words that are  
13 maybe overly inclusive and not reasonably calculated to see  
14 through all the documents, when they're already getting all  
15 the documents with all the relevant proper names in this case.

16                   MR. SIMMONS: We -

17                   THE COURT: So -

18                   MR. SIMMONS: We certainly do not want an overbroad  
19 production. We don't want to look through it either, Your  
20 Honor.

21                   THE COURT: Right. So, why are you asking for money?

22                   MR. SIMMONS: Well, the term "money" - so, first of  
23 all, the CPA names and the client names are just the ones that  
24 we know of at this time. We firmly believe that there are a  
25 bunch more, so if we are just limited to just those, then that

1 will completely answer it if - our search if we were not able  
2 to find additional names, if they're out there. As far as  
3 money goes, it goes directly to our damages. We need to know  
4 who asked for money, who requested money. We don't know if  
5 Brad Mols was talking directly to the CPA or someone else or -  
6 we don't know how he structured it. He's already set up two  
7 strawmen in this case, being his wife and Ms. Torres. So, we  
8 don't know what other strawmen or obstacles he put in place to  
9 avoid the discovery of how much money he was doing, how much  
10 money he was making and the extent of his control over the  
11 entire enterprise and really the foundation of the enterprise  
12 So, we do think that there will be documents, responses that  
13 would be responsive to money and not to the other terms.

14 Some of the other terms in here - "gift,"  
15 "loan" - those are two huge terms that he says are overbroad.  
16 The difference between what he says he gave a ten-thousand  
17 dollar gift to Ms. Torres the day after both of them resigned  
18 on the same day that was a gift and not seed money for the  
19 Prime Parakore enterprise. That's a big issue in this case as  
20 well. Mr. Humphrey doesn't believe - he believes that's an  
21 irrelevant issue. I certainly disagree, because it clearly  
22 shows his control, intent and - and purpose behind the entire  
23 enterprise to compete through a strawman.

24 MR. HUMPHREY: As I say, Your Honor, they're already  
25 getting Angela and Torres and Brian and Parakore, so it's hard

1 to imagine an e-mail talking about gifts to these people or  
2 entities that would not include - that are - not already be in  
3 the search terms.

4 THE COURT: I'm going to let him do it. I think that  
5 it's very broad, but, you know, he's going to have to look  
6 through it.

7 Be careful what you ask for, Mr. Simmons.

8 MR. SIMMONS: I - I - I understand, Your Honor, and I  
9 don't think it'll populate too many additional, if any.

10 THE COURT: Okay.

11 MR. SIMMONS: So, that's money, gift, loan.

12 The next one is suit.

13 We chose suit; Mr. Humphrey has objected to it  
14 as overbroad. Any communications that he had with his  
15 attorney are already taken out. Any communications during  
16 this timeframe with anybody else about this lawsuit is  
17 obviously responsive. He's talking to third parties about  
18 this lawsuit - his claims, his defenses, amounts he's making,  
19 who knows what else. So, I think the term "suit" is  
20 specific -

21 THE COURT: Are you also asking for lawsuit, the word  
22 "lawsuit" or just "suit"?

23 MR. SIMMONS: We were just asking for suit, in that  
24 any word that would encompass suit -

25 THE COURT: That would come up?

1 MR. SIMMONS: -- would - lawsuit would come out.

2 THE COURT: All right. I'll allow that. What else?

3 MR. SIMMONS: We'd agree to the Dan (phonetic), the  
4 limitation on that, and we also - I just want to get on the  
5 record - we agree to the limitation on AG, the juke bug  
6 (phonetic).

7 So, the next one is Converse. So, Converse is  
8 Mr. - Mr. Mols' new entity that he started after he left  
9 Prime. He - he believes that it's irrelevant, is the  
10 objection.

11 What we're concerned about, what we think is in  
12 these documents is that he took documents from Aliantgroup to  
13 Prime and then he's now using those same Prime documents that  
14 he got from Aliantgroup and his new venture Converse. That's  
15 the only chain of custody that's possible.

16 We told Mr. Humphrey it would be absolutely  
17 agreeable to have this term specifically as attorneys eyes  
18 only at first because Mr. Humphrey has expressed a concern  
19 that we could - if this was shown to everybody, then we could  
20 potentially know what clients he's going after and then use it  
21 for an improper advantage, I said, fine; we can do that to an  
22 AO and he is still is not agreeable.

23 THE COURT: Mr. Humphrey, what's the problem?

24 Do we have any - is Mr. Hennig still on the  
25 line, and does ne - do you need to be here, Mr. Hennig? If

1 you want to drop off, I don't have a problem.

2 MR. HENNIG: Thank you, Your Honor. I will - I  
3 will - I accept your invitation very graciously.

4 Thank you so much.

5 THE COURT: All right. Have a good day.

6 MR. HENNIG: All right. Bye-bye.

7 MR. HUMPHREY: Your Honor, on the relevance, it is  
8 simply the fact that - it is simply the fact that the Converse  
9 or the entity that was formed sometime after August of 2017,  
10 the restricted period in the - one agreement ended in May of  
11 2017. So, we're already well after the restricted period  
12 here; this is all new, a new business, and -

13 THE COURT: Unless he's using the Alliant documents.

14 MR. HUMPHREY: Correct. And I'm just not sure how  
15 this is reasonably calculated to - we've covered that.

16 THE COURT: Well -

17 MR. HUMPHREY: That's exclusive of the other search  
18 terms he's asking for.

19 THE COURT: -- I think it's going to be a stretch,  
20 but I'm going to allow it, attorneys eyes only.

21 What else, Mr. Simmons?

22 MR. SIMMONS: All right. The word "pay" does in with  
23 gift, loan and money?

24 THE COURT: I think so.

25 MR. HUMPHREY: I would say the same thing, Judge.

1                   MR. SIMMONS: "Check" does that go in with the same  
2 terms?

3                   THE COURT: I would think so.

4                   MR. HUMPHREY: If I could say that this is going to  
5 be terms in staying with the rest of my objection is down to  
6 word "Houston Press, "if you want to go to that.

7                   MR. SIMMONS: So, you're fine all the way down to the  
8 Houston Press to withdraw those objections?

9                   MR. HUMPHREY: Just to honor the Court's rulings on  
10 that.

11                  MR. SIMMONS: Okay.

12                  MR. HUMPHREY: They're the same issues.

13                  MR. SIMMONS: Okay.

14                  So, I have all the way down to Number 21, as -  
15 as I guess being ordered by the Court, according to your  
16 understanding. Okay.

17                  The next one is Houston Press. So, with Houston  
18 Press and Media, so these are two words that we believe and we  
19 kind of know that he's been talking, again, to third parties  
20 about this lawsuit. Anything that he says to third parties  
21 about this lawsuit is responsive to our request, whether it's  
22 about claims, defenses, amounts owed, anything that he's  
23 providing third parties about this lawsuit, which we believe  
24 he did provide to the Houston Press or other media outlets;  
25 that's responsive and we'd like to know what his thoughts were

1 to a third party about this lawsuit.

2 MR. HUMPHREY: Your Honor, they hadn't sued for  
3 anything that he's talking to media about; it has nothing to  
4 do with any of the issues in this case, Your Honor.

5 THE COURT: I'll allow it.

6 What's else?

7 MR. HUMPHREY: The aforementioned answer, the same as  
8 before.

9 MR. SIMMONS: So, you're fine with those two?

10 MR. HUMPHREY: Right.

11 THE COURT: I'm - I'm - that will be - I'm ordering  
12 that; go ahead.

13 MR. HUMPHREY: Okay.

14 MR. SIMMONS: Okay. The next one, we agreed on  
15 Montana; the next two are Messrs. Tom Johnson and Kent  
16 Christiansen. So, these are two individuals - actually Kent  
17 Christiansen actually has a Prime e-mail address. So, I don't  
18 know why there's an objection to him, whenever he didn't  
19 object to Daniel Lanier or Angeles Torres.

20 And these are two individuals that we believe  
21 are absolutely involved in this case, even though Mr. Mols  
22 disclaimed any culpability or knowledge of these two people.  
23 You know, one of the guys had a Prime e-mail address. So,  
24 clearly, that's not the case, and so, Mr. Humphrey has  
25 objected to those two terms as -

1           THE COURT: All right.

2           MR. SIMMONS: Or those two individuals as irrelevant.

3           THE COURT: So, if Christiansen has a Prime e-mail  
4 account, he may have some information. Tell me about Johnson.

5           MR. SIMMONS: So, Tom Johnson is the individual who  
6 Mr. Mols claims told him about Lewicki and had Mols hire  
7 Lewicki. We don't believe that's the case. Well, we believe  
8 that Tom Johnson, Lewicki and Mols are all combined in  
9 assisting Mols in this new venture. Tom Johnson is  
10 apparently - he's a CPA. He's one of the owners of the CPA  
11 firm, and he also does these R&D tax studies on the side, and  
12 he's the individual who also, I believe, has hired Mr. Lewicki  
13 in the past as an independent contractor, and so, we believe  
14 that everything is interrelated as far as Tom Johnson and the  
15 anti-competitive efforts of Mr. Mols and Mr. Wood.

16           MR. HUMPHREY: Well, we're going well beyond the  
17 pleadings in this case. I've never heard an allegation that  
18 he's involved with Tom Johnson in any competition with  
19 Alliantgroup. So, I mean, that's pretty much news to me. I  
20 know he has spoken with Tom Johnson before. I know Tom  
21 Johnson competes with Alliantgroup, but we have gone well  
22 beyond the claims in this case.

23           First, Kent Christiansen I would agree, and if  
24 he's got a Prime Tax e-mail he's relevant. That's the first  
25 I've heard of that. I mean, I may not have seen the

1 documents -

2 THE COURT: I'm going to allow Mr. Johnson. It just  
3 sounds like, you know, if Mr. Johnson has evidence that he's  
4 involved or how these people interrelate, then you can search  
5 for his name.

6 What else?

7 MR. SIMMONS: So, we can search for both of them?

8 THE COURT: Both of them, yes.

9 MR. SIMMONS: Thank you, Your Honor.

10 Are you fine with the next two, Bryan?

11 MR. HUMPHREY: I think those are the same two, yes.

12 MR. SIMMONS: Okay. So, that resolves 34 and 35.

13 You also objected to the extent of the search  
14 terms to be limited to May 2<sup>nd</sup>, 2017. You're going to  
15 withdraw that as well?

16 MR. HUMPHREY: I'll just - I'll serve the objection.  
17 I think the ruling is going to be my objection is anything  
18 after May 2<sup>nd</sup>, 2017, which again the restricted period is  
19 irrelevant but - based on the Court's prior rulings.

20 MR. SIMMONS: There's more plaintiffs than just were  
21 not solicited.

22 MR. HUMPHREY: Really.

23 THE COURT: Yeah, it can go beyond that. But let's  
24 have a cutoff date.

25 MR. SIMMONS: Today's date.

1           THE COURT: How about December 31<sup>st</sup>?

2           MR. SIMMONS: Of?

3           THE COURT: Of '17.

4           MR. SIMMONS: Okay.

5           THE COURT: What else?

6           MR. SIMMONS: I believe that is all there is, Your  
7 Honor.

8           THE COURT: That is?

9           MR. HUMPHREY: We're done, Your Honor.

10          THE COURT: All right.

11          All right. Then, there you are.

12          MR. SIMMONS: Thank you for your time, Your Honor.

13          THE COURT: All right.

14          MR. HUMPHREY: Thank you, Your Honor.

15          THE COURT: You all have a good day.

16          (Proceedings concluded at 2:43 p.m.)

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IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

5 I, Linda Griffin, court approved transcriber, certify that  
6 the foregoing is a correct transcript from the official  
7 electronic sound recording of the proceedings in the above-  
8 entitled matter.

10 /s/ Linda Griffin  
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February 2, 2018  
Date